

ORIGINAL

Decision No. 47373

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of MOUNTAIN PROPERTIES, INC., a)
California corporation, for)
certificates of public convenience) Application No. 33207
and necessity in Orange County,)
under Section 1001 of the Public)
Utilities Code.)

Moss, Lyon and Dunn, attorneys, by George Lyon,
for applicant. James F. Wilson for the Commission
staff.

O P I N I O N

Mountain Properties, Inc., a corporation, by the above-entitled application filed March 10, 1952, seeks certificates of public convenience and necessity under Section 1001 of the Public Utilities Code to operate three water systems to be known as its Golden West Gardens, Los Palms Ranchos and Laelco water systems in Orange County. The establishment of rates in such water systems is also requested. The areas proposed to be served are delineated on maps included in Exhibits Nos. 4, 5 and 6 filed at the hearing. A map filed at the hearing as Exhibit No. 3 shows the relative locations of the three proposed service areas in Orange County.

A public hearing in this matter was held before Examiner Chiesa on June 5, 1952, at Santa Ana.

Mountain Properties, Inc., was incorporated in 1931, and furnishes public utility water service in Los Angeles, Orange, San Bernardino, and Kern Counties, under various certificates of public convenience and necessity granted by this Commission to a total of approximately 6,600 consumers.

Applicant's main offices are located in Los Angeles, and a warehouse, and a maintenance and repair shop are located in and operated out of Santa Ana.

The three areas, for which certificates of public convenience and necessity are requested by the application herein being considered, are discussed separately.

Golden West Gardens Water System

The area of applicant's Golden West Gardens water system comprises approximately 80 acres located south of Santa Ana, and includes Tracts Nos. 604, 1346 and 1347, Orange County, and additional unsubdivided territory. The area is bounded on the north by Fairview Avenue, on the east by Center Street, on the south by Edinger Street, and on the west by Sullivan Street, in Orange County. As of January 1, 1952, water service was being furnished to 222 consumers on a flat rate basis, and a schoolhouse, located in the southeast corner of the proposed service area, was being served through a 4-inch meter.

The source of water supply for the Golden West Gardens water system is three wells located on properties owned by applicant within the service area. Well No. 1 is located on Lot 1, Block B, Tract No. 604, and is 12 inches in diameter. The standing water level therein was 78 feet in July, 1951. A pump driven by a 15 hp electric motor is installed in this well. Well No. 2, located on Lots 8, 17, 18 and 7, Block A, Tract No. 604, is 6 inches in diameter, 118 feet deep, and is not being used. Well No. 3, located on a portion of Lot 21, Tract 1346, is 12 inches in diameter and is 528 feet deep. A pump driven by a 15 hp motor is installed in this well. The record shows that larger pumps could be installed in Wells Nos. 1 and 3, and a pump could be installed in Well No. 2 if more water were needed. A 2,000-gallon steel pressure tank has been installed at Well No. 1 and a 3,330-gallon steel pressure tank has

been installed at Well No. 3. The source of water supply for this water system has been tested periodically by Orange County Health Department authorities and found to be potable.

A review of the record indicates that the water supply and the distribution system installed in the Golden West Gardens water system are adequate to serve the proposed area.

Applicant is presently charging, and proposes to continue to charge, monthly flat rates of \$2.50 for a single-family residence on a lot not to exceed 7,500 square feet in area, through a 3/4-inch service, and other flat rates. It does not intend to install meters unless water is wasted. The establishment of general metered service rates is also requested. These include a minimum charge of \$2 per meter per month for a 5/8 x 3/4-inch meter, \$3 for a 1-inch meter, \$4 for a 1 1/2-inch meter, \$6 for a 2-inch meter, \$15 for a 3-inch meter, and \$30 for a 4-inch meter, and quantity rates of \$2 for the first 1,000 cu. ft., or less, of water usage per month, \$0.20 per 100 cu. ft. for the next 500 cu. ft., \$0.15 per 100 cu. ft. for the next 1,000 cu. ft., and \$0.12 per 100 cu. ft. for all over 2,500 cu. ft.

A statement of fixed capital in service as of December 31, 1951, filed at the hearing as Exhibit No. 7 by applicant's witness, shows total fixed capital of \$32,226.71, with a related reserve for depreciation of \$642.37. This statement also shows Donations in Aid of Construction amounting to \$11,356. A statement of revenue and expenses for 1951, also included in Exhibit No. 7, shows net operating revenue, after taxes and depreciation, of \$1,942.87.

Los Palms Ranchos Water System

The area of applicant's Los Palms Ranchos water system comprises approximately 40 acres, is located south and west of Santa Ana, and includes Tract No. 1298, Orange County, and the

Garden Grove School District immediately adjacent thereto on the northwest. The area is bounded on the north by the north boundary of Tract No. 1298 and an extension westerly thereof to Newhope Street, on the west by said Newhope Street, on the south by Smeltzer Avenue, and on the east by the east boundary of Tract No. 1298. There are 70 subdivided lots and, as of January 1, 1952, water service was being furnished to 69 consumers on a flat rate basis, and to a schoolhouse through a 4-inch meter.

The source of water supply for this area is a well located on a portion of Lot 31, owned by applicant, within the service area. The well is 12 inches in diameter, 320 feet deep, with a standing water level of 79 feet in July, 1951. A pump driven by a 25 hp motor is installed in the well, and a 2,000-gallon steel pressure tank has been installed to maintain operating pressures throughout the distribution system. The source of water supply for this water system has been tested periodically by Orange County Health Department authorities and found to be potable.

A review of the record indicates that the water supply and the distribution system installed in the Los Palmos Ranchos water system are adequate to serve the proposed area.

Applicant is presently charging, and proposes to continue to charge, a monthly flat rate of \$2.50 for a single-family residence on a lot not to exceed 15,000 square feet in area, through a 3/4-inch service, and other monthly flat rates. The establishment of the same general metered service rates as those requested for Golden West Gardens water system is also requested.

Exhibit No. 8 filed at the hearing shows the fixed capital in service as of December 31, 1951, to have been \$13,289.44, with a related reserve for depreciation of \$560.72. Consumers' Advances for Construction amounted to \$7,326.40. Net operating revenue for the year 1951 amounted to \$317.10.

Laelco Water System

The area of the Laelco water system, comprising approximately 40 acres located west of Santa Ana, includes Tract Nos. 1351 and 1369, Orange County, and some unsubdivided acreage to the south of Tract No. 1351 and east and west of a southerly extension of said Tract No. 1351. There are 95 lots in this proposed service area bounded on the north by the north boundary of Tract No. 1369, on the west by the west line of Tract No. 1369 and an extension of such west boundary south to Westminster Avenue, on the south by said Westminster Avenue, and on the east by Berrydale Avenue. As of January 1, 1952, water service was being furnished to 91 consumers on a flat rate basis.

The source of water supply for this area is two wells located on Lots 22 and 55, Tract No. 1351. Well No. 1 is 6 inches in diameter, and the standing water level therein is 105 feet. This well is not in use. Well No. 2 is 12 inches in diameter, 212 feet deep, and the standing water level is 105 feet. A pump driven by a 20 hp motor is installed in Well No. 2 and a 2,000-gallon steel pressure tank has been installed to maintain operating pressures on the distribution system. The source of water supply for this water system has been tested periodically by Orange County Health authorities and has been found to be potable.

A review of the record indicates that the water supply and the distribution system installed in the Laelco water system are adequate to serve the proposed area.

Applicant is presently charging, and proposes to continue to charge, a monthly flat rate of \$2.50 for a single-family residence on a lot not to exceed 10,000 square feet in area, through a 3/4-inch service, and other monthly flat rates. The establishment of the same general metered service rates as requested for the Golden West Gardens water system, discussed hereinbefore, is requested.

Total fixed capital in service as of December 31, 1951, in the Laelco system, as shown on Exhibit No. 9, amounted to \$12,409.52, with a related reserve for depreciation of \$163.58. Donations in Aid of Construction amounted to \$1,400 as of that date. Net operating revenues for the year 1951 were \$333.27.

No public utilities of like character with which applicant might compete are located in or adjacent to any of the proposed areas, and no objection or protest to the granting of the application was entered at the hearing by any party.

The Commission has considered the request of Mountain Properties, Inc., for certificates of public convenience and necessity to operate water systems to be known as its Golden West Gardens water system, Los Palmos Ranchos water system, and Laelco water system, in Orange County, and is of the opinion that they should be granted, and a certificate of public convenience and necessity covering Golden West Gardens, Los Palmos Ranchos and Laelco water systems will be granted, subject to the following provision of law:

That the Commission shall have no power to authorize the capitalization of this certificate of public convenience and necessity or the right to own, operate, or enjoy such certificate of public convenience and necessity in excess of the amount (exclusive of any tax or annual charge) actually paid to the State as the consideration for the issuance of such certificate of public convenience and necessity or right.

The action taken herein shall not be construed to be a finding of the value of the property herein described.

O R D E R

Mountain Properties, Inc., a corporation, having applied for certificates of public convenience and necessity to operate water systems known as Golden West Gardens water system, Los Palmos

Ranchos water system, and Laelco water system, in Orange County, a public hearing having been held, the matter having been submitted and now being ready for decision,

IT IS HEREBY FOUND AS A FACT that public convenience and necessity require that Mountain Properties, Inc., be granted a certificate of public convenience and necessity to operate water systems in the areas described herein and delineated on the maps filed at the hearing with Exhibits Nos. 4, 5, and 6; therefore,

IT IS HEREBY ORDERED as follows:

1. That a certificate of public convenience and necessity be, and it is granted to Mountain Properties, Inc., to operate public utility water systems in the areas hereinabove described.
2. That applicant is authorized to file in quadruplicate with this Commission after the effective date of this order, in conformity with the Commission's General Order No. 96, a schedule of rates shown in Exhibit A attached hereto, and on not less than five (5) days' notice to the Commission and the public, to make such rates effective for services rendered on and after August 1, 1952.
3. That applicant shall file, within forty (40) days after the effective date of this order, four copies of a comprehensive map, drawn to an indicated scale of not less than 600 feet to the inch, delineating by appropriate markings the various tracts of land and territory served, and the location of various properties of applicant.

- 4. That applicant shall file, coincident with the rate filing ordered herein, four copies of a tariff service area map acceptable to the Commission.

The effective date of this order shall be twenty (20) days after the date hereof.

Dated at San Francisco, California, this 31st day of June, 1952.

R. F. [Signature]
President.

Harold [Signature]

[Signature]
[Signature]

Commissioners.

JUSTUS F. CRAEMER
Commissioner..... being necessarily absent, did not participate in the disposition of this proceeding.

EXHIBIT A
Page 1 of 4

Schedule No. 1
MONTHLY FLAT RATE

APPLICABILITY

Applicable to all unmeasured water service.

TERRITORY

Throughout the authorized Golden West Gardens water system service area.

RATES

	<u>Per Month</u>
For single-family residence on a lot not to exceed 7,500 square feet in area, through 3/4-inch service	\$2.50
For each additional family unit on a single lot	1.00
For each additional 100 square feet of lot area	0.02
For each store, market or shop (service connection not to exceed 3/4-inch)	2.50
For each service station (service connection not to exceed 3/4-inch)	4.00

SPECIAL CONDITIONS

1. All service not covered by the above classification will be furnished only on a metered basis.
2. Meters may be installed at the option of the utility or customer for above classifications, in which event service will thereafter be rendered only on the basis of Schedule No. 4 - General Metered Service.

EXHIBIT A
Page 2 of 4

Schedule No. 2

MONTHLY FLAT RATEAPPLICABILITY

Applicable to all unmeasured water service.

TERRITORY

Throughout the authorized Los Palms Ranchos water system service area.

RATES

	<u>Per Month</u>
For single-family residence on a lot not to exceed 15,000 square feet in area, through 3/4-inch service	\$2.50
For each additional family unit on a single lot	1.00
For each additional 100 square feet of lot area	0.02
For each store, market or shop (service connection not to exceed 3/4-inch)	2.50
For each service station (service con- nection not to exceed 3/4-inch)	4.00

SPECIAL CONDITIONS

1. All service not covered by the above classification will be furnished only on a metered basis.

2. Meters may be installed at the option of the utility or customer for above classifications, in which event service will thereafter be rendered only on the basis of Schedule No. 4 - General Metered Service.

EXHIBIT A
Page 3 of 4

Schedule No. 3

MONTHLY FLAT RATEAPPLICABILITY

Applicable to all unmeasured water service.

TERRITORY

Throughout the authorized Laelco water system service area.

RATES

	<u>Per Month</u>
For single-family residence on a lot not to exceed 10,000 square feet in area, through 3/4-inch service	\$2.50
For each additional family unit on a single lot	1.00
For each additional 100 square feet of lot area	0.02
For each store, market or shop (service connection not to exceed 3/4-inch)	2.50
For each service station (service connection not to exceed 3/4-inch)	4.00

SPECIAL CONDITIONS

1. All service not covered by the above classification will be furnished only on a metered basis.

2. Meters may be installed at the option of the utility or customer for above classifications, in which event service will thereafter be rendered only on the basis of Schedule No. 4 - General Metered Service.

EXHIBIT A
Page 4 of 4

Schedule No. 4

GENERAL METERED SERVICEAPPLICABILITY

Applicable to all measured water service.

TERRITORY

Throughout the authorized Golden West Gardens water system, Los Palms Ranchos water system, and Laelco water system service areas.

RATES

Quantity Rates:	<u>Per Meter Per Month</u>
First 1,000 cu.ft., or less	\$2.00
Next 500 cu.ft., per 100 cu.ft.....	.20
Next 1,000 cu.ft., per 100 cu.ft.....	.15
Over 2,500 cu.ft., per 100 cu.ft.....	.12
Minimum Charge:	
For 5/8 x 3/4-inch meter.....	\$2.00
For 1-inch meter.....	3.00
For 1 1/2-inch meter.....	4.00
For 2-inch meter.....	6.00
For 3-inch meter.....	15.00
For 4-inch meter.....	30.00

The Minimum Charge will entitle the consumer to the quantity of water which that minimum charge will purchase at the Quantity Rates.

In the event meters are not available when customers apply for service, the proper size connection will be made and the customer charged the minimum meter rate per month for the size meter requested.